COMMENTS RELATED TO THE E-RATE 2.0
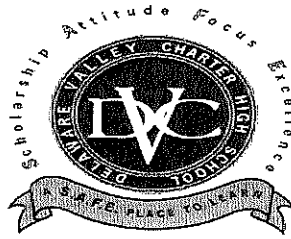# NOTICE OF PROPOSED RULEMAKING

WC Docket No. 13-184

NOVEMBER 8, 2013

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Delaware Valley Charter High School
A.... S.A.F.E. Place To Learn

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**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of	)	
Modernizing the E-rate	)	WC Docket No. 13-184
Program for Schools and Libraries	)	

**COMMENTS BY Delaware Valley Charter High School
RELATED TO THE E-RATE 2.0 NOTICE OF PROPOSED RULEMAKING**

November 8, 2013

Introduction:

To whom it may concern,

I am submitting my letter of support on behalf of Delaware Valley Charter High School which is a charter school organization that educates a diverse population of students that have benefitted from the E-rate program. In talking to my peers from other charter schools, I feel that it is important to speak of the technology access challenges that organizations such as ours face and to provide the FCC with insight and recommendations for defining the next generation of the E-rate Program.

A major concern that my peers and I share is that the critical decisions related to this program will be made based on the custom needs and vested interest of larger, traditional school districts, and intermediate education organizations without hearing the concerns of the small to mid-sized schools such as ourselves. Therefore, we wanted to ensure that our points are not only shared through this response, but considered, otherwise there could be consequences to providing the educational opportunities to our students moving forward.

The E-rate Program has become a key component of our strategic plans and an invaluable funding source for the technology and service level infrastructure that enables us to meet the educational needs of our students each day. Although we face other challenges, we felt that our position statement should address the key issues and proposed changes from the NPRM that will be most beneficial to our students and/or those which could have a negative impact on them. Since the E-rate program strives for equality in meeting the telecommunication and connectivity needs of all schools and all students, we are confident that the FCC will take in to consideration the needs of smaller and mid-sized schools as well, therefore...

Summary of Support for E-rate 2.0 Considerations:

Please see my comments in regarding the potential changes to the E-rate program. As my colleagues will attest, the   E-rate program is vital element in meeting the educational needs of our children. Evolving technical eco-system demands and requirements have to be in step with the necessary, basic business and educational functions on a daily basis. Therefore, continuing to receive support for these essential functions through E-Rate is mission-critical especially in these financially challenging times. The most impactful possible changes to the program as identified in the NPRM and that I support are addressed below. Additionally, I have presented some challenges that we deal with currently which need to be addressed as well, they are presented in the section titled, Current E-rate Challenges.

1. Change the funding distribution model:

Options:

a.) Revise discount matrix to adjust discounts downward at all levels

Down-grading the matrix will trigger a domino effect that negatively impacts the budget of the school therefore other essential educational materials and/or resources would need to be re-prioritized and evaluated. Every dollar reduced would sacrifice the school's ability to deliver quality education services placing larger demand on a broader scope of stakeholders.

b.) Move to a per-pupil formula

This scenario is extremely one-sided and bias towards large school districts. Realistically, to implement such a per-student calculation would effectively eliminate any appreciable Priority 2 opportunities for all small to mid-sized schools and negatively impact the budget as it relates to Priority 1 services. Supporters of this solution have vested interests in acquiring as much of the available Priority 2 funds as possible for large school districts. There is not one small to mid-sized school that does not realize that this per-student funding matrix would effectively eliminate them from vying for available Priority 2 funds of any significant consequence. It should be noted that just because a school has less children the cost of technology for that school does not get cheaper. For example, a required router between the Internet and the school's internal network still costs a specific dollar amount. Using this rational, the cost would be substantially higher based on percentage of the available Priority 2 funding for a small school versus that of a large school. This widens the disparity for students being served at smaller schools compared to those at larger schools.

**Suggestion:** Match the funding level of a school with its actual student poverty percentage (i.e.: if a school's poverty level is 75% they would get funded at 75% and not 90%....if it is 80% then 80% funding, etc.)

c.) Move to an upfront grant formula

Any solution whereas the entity is required to pay for all services up-front will cause dramatic levels of budgetary challenges and should not be considered. The current program requirements at least permit the schools to make sensible choices in how/when to implement critical services and materials to align with needs and timelines.

d.) District-wide discount calculations

This would negatively impact the schools ability to leverage program resources in a manner in which schools (within the district and/or consortia) at higher poverty rates would be likely prevented for applying for critical funds to support technology infrastructure. Schools depend upon external funding mechanisms to help them deliver needed resources at affordable fair-share allocations.

2. Change priorities so that high-capacity broadband and the associated equipment needed to disseminate that broadband to and within those buildings becomes the top priority

a.) All schools should be eligible for networking equipment, not just the 90% schools. This would be a top priority change for our school. This new prioritization will enable the school to provide vital on-premise networking equipment to match the demanding need for higher bandwidth capacity. Additionally, this level of funding would permit the school to reach adopted common-core goals inclusive of cloud-based initiatives and educational assessments. Currently we are typically challenged in deciding to replace and upgrade infrastructure or provide instructors, purchase educational materials and/or acquiring end-user devices which are not E-rate program eligible.

Priority 2 funding opportunities are extremely important for our school. All schools are mandated to participate and provide testing, data and reporting at the state and federal levels. To do so requires adequate network infrastructure (cabling and equipment w/corresponding installation) and internet access. Without Priority 2 funding there would be no opportunity for the schools to establish this infrastructure. Such infrastructure is needed at the opening of a school and cannot be implemented over a period of time. It is essential that funding for Priority 2 remains by either

increasing the allocation of funds available for the program and/or reducing/eliminating some currently eligible services such as Basic Maintenance.

Suggestion: There may be an ability to provide more funds for Priority 2 funding opportunities by requiring that schools base funding requests for mobile services on actual mobile minutes/data used from a previous years' total invoicing. This will help eliminate bloated funding requests for services that typically go unused but lock out the possibility of assigning funds elsewhere.
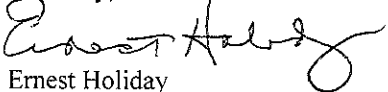
Current E-rate Challenges

Please see the following items which identify current program challenges and concerns as they relate to our funding. Please note that the goal is to detail the most challenging issues for us and not to define every challenge. I welcome the opportunity to provide additional insight/relating to a particular item(s), if needed.

1.) **Challenge:** Currently Charter LEAs are treated differently when calculating poverty levels for new charter schools opening within an existing Charter LEA than are their counter parts in traditional school districts. Based on current rules, Charter LEAs are no longer allowed to leverage the aggregate funding percentage of the LEA for the opening of a new charter school...however; a District or other LEA can use their overall aggregate rate. This provides Priority 2 opportunity for new schools in Districts, but not for a Charter LEA's new school. Although the new charter school would eventually have student poverty data to support its funding request it is forced to delay projects while awaiting the opportunity to provide such data. Such delays lead to lost funding opportunities and additional operational costs which ultimately hurt the students. There is no place on the USAC Schools and Libraries website that identifies that Charter LEAs should be treated differently when calculating aggregate rates. Also, when the question has been posed to the "Ask a Question" tool and the E-rate Helpdesk it has been confirmed and documented that the calculations are not to be treated differently than that of a traditional school district yet during PIA E-rate funding calculations using this method have been denied.

2.) **Challenge:** We understand the ideology regarding the "start of services" date of July 1st or later within a particular funding year, but it does present a challenge when dealing with cabling for network infrastructure projects. There are typically a limited number of qualified SPIN registered cabling service resources available in a region and these vendors often try to accommodate multiple cabling jobs for multiple schools within a very short amount of time (July 1st through the August) after which the network equipment must be installed and tested.

Suggestion: Permitting cabling services to begin before July 1st (but not allowed to be invoiced until July 1st or later) would substantially reduce project issues for *all* schools. This change would have no negative financial impact on the E-rate program.

Thank you for reviewing, evaluating and considering my point of view, current challenges and suggestions. I appreciate the opportunity to express how importance the E-rate program is to our school/s. I look forward to many positive advances in the E-rate program

Sincerely,

Ernest Holiday
CEO/Principal